

APPLICATION FOR PERMIT TO APPROPRIATE THE PUBLIC WATERS OF THE STATE OF NEVADA

Date of filing in State Engineer's Office. --JAN-11-1990-- NEW PRIORITY DATE: OCT-11-1994-

Returned to applicant for correction. FEB 22 1990 MAY 15 1995

Corrected application filed. _____

Map filed. DEC 7 1982 under 46127

The applicant Durvada Resources Inc.

900 Dump road, of Sandy Valley, Nevada
Street and No. or P.O. Box No. City or Town

89019, hereby make X application for permission to appropriate the public
State and Zip Code No.

waters of the State of Nevada, as hereinafter stated. (If applicant is a corporation, give date and place of incorporation; if a copartnership or association, give names of members.) Incorporated in Carson City, Nevada

June 28, 1989.

1. The source of the proposed appropriation is Underground See permit # 46127
Name of stream, lake, spring, underground or other source

2. The amount of water applied for is .25 second-feet
One second-foot equals 448.83 gals. per min.

(a) If stored in reservoir give number of acre-feet _____

3. The water to be used for Milling (Ore processing)
Irrigation, power, mining, manufacturing, domestic, or other use. Must limit to one use.

4. If use is for:

(a) Irrigation, state number of acres to be irrigated. _____

(b) Stockwater, state number and kinds of animals to be watered. _____

(c) Other use (describe fully under "No. 12. Remarks") Milling

(d) Power:

(1) Horsepower developed. _____

(2) Point of return of water to stream. _____

5. The water is to be diverted from its source at the following point within the SW 1/4 of the NW 1/4 of Section
Describe as being within a 40-acre subdivision of public

27, T. 24 S., R. 57 E., MDB&M or at a point from which the SW corner of said section
survey, and by course and distance to a section corner. If on unsurveyed land, it should be so stated.

27 bears S 20 degrees 48 Min. W., a distance of 3218 feet.

6. Place of use a portion of the SW 1/4 of the NW 1/4 of Section 27, T. 24 S.; R. 57 E.;
Describe by legal subdivision. If on unsurveyed land, it should be so stated.

MDB&M

7. Use will begin about January 1 and end about December 31, of each year.
Month and Day Month and Day

8. Description of proposed works. (Under the provisions of NRS 535.010 you may be required to submit plans and

specifications of your diversion or storage works.) Drilled well, casing, gravel pack, cement seal,
State manner in which water is to be diverted, i.e. diversion structure, ditches and

submersible pump and electric motor.
flumes, drilled well with pump and motor, etc.

9. Estimated cost of works. \$25,000.00

10. Estimated time required to construct works.....Construction is completed as this is an existing.
If well completed, describe works.

.....well operated under permit application # 46127......

11. Estimated time required to complete the application of water to beneficial use.....Depends upon the pilot tests
on the potential ore bodies, but at least two years.

12. Remarks: For use other than irrigation or stock watering, state number and type of units to be served or annual
consumptive use.

.....Milling, using a heap leaching process wherein the pregnant liquor is recycled
.....continuously. Water is added only to replace that which is lost by evaporation
.....or absorption into the ore pile......

By s/David D. Bergstrom
Box 1184 HCR-31 Jean, Nv. 89019
Agent for Durvada Resources Inc.

Compared.....pm/ bp.....am/se.....

Protested.....

.....APPROVAL.....OF STATE ENGINEER

This is to certify that I have examined the foregoing application, and do hereby grant the same, subject to the following limitations and conditions: This permit is issued subject to existing rights. It is understood that the amount of water herein granted is only a temporary allowance and that the final water right obtained under this permit will be dependent upon the amount of water actually placed to beneficial use. It is also understood that this right must allow for a reasonable lowering of the static water level. This well shall be equipped with a two (2) inch opening for measuring depth to water. If the well is flowing, a valve must be installed and maintained to prevent waste. A totalizing meter must be installed and maintained in the discharge pipeline near the point of diversion and accurate measurements must be kept of water placed to beneficial use. The totalizing meter must be installed before any use of water begins, or before the Proof of Completion of Work is filed. This source is located within an area designated by the State Engineer, pursuant to NRS 534.030. The State retains the right to regulate the use of the water herein granted at any and all times.

This permit does not extend the permittee the right of ingress and egress on public, private or corporate lands.

This permit is issued under the preferred use provisions of NRS Chapter 534. The manner of use of water under this permit is by nature of its activity a temporary (CONTINUED ON PAGE 2)

The amount of water to be appropriated shall be limited to the amount which can be applied to beneficial use, and not to exceed.....0.25.....cubic feet per second, but not to exceed 21.9 million
.....gallons annually......

Work must be prosecuted with reasonable diligence and be completed on or before.....February 12, 1992.....

Proof of completion of work shall be filed on or before.....March 12, 1992.....

Application of water to beneficial use shall be made on or before.....February 12, 1994.....

Proof of the application of water to beneficial use shall be filed on or before.....March 12, 1994.....

Map in support of proof of beneficial use shall be filed on or before.....N/A.....

Completion of work filed.....APR 23 1992.....

Proof of beneficial use filed.....

Cultural map filed.....

Certificate No.....

Issued.....

IN TESTIMONY WHEREOF, I, R. MICHAEL TURNIPSEED, P.E.
State Engineer of Nevada, have hereunto set my hand and the seal of my

office, this.....12th.....day of.....February.....

A.D. 19.....91.....

CANCELLED **DEC 31 1996**
OF APPLICANT TO COMPLY WITH THE PROVISIONS OF PERMIT
BECAUSE OF FAILURE

State Engineer

(01-5314 (Rev.)

CANCELLED **AUG 12 1994**
OF APPLICANT TO COMPLY WITH THE PROVISIONS OF PERMIT
BECAUSE OF FAILURE

CANCELLED **MAR 13 1995**
OF APPLICANT TO COMPLY WITH THE PROVISIONS OF PERMIT
BECAUSE OF FAILURE

STATE ENGINEER

STATE ENGINEER

(unc. Approved 9-21-95)

(PERMIT TERMS CONTINUED)

use and any application to change the manner of use granted under this permit will be subject to additional determination and evaluation with respect to the permanent effects on existing rights and the resource within the ground water basin.

The issuance of this permit does not waive the requirements that the permit holder obtain other permits from State, Federal and local agencies.

This permit is issued under the provisions of NRS 534.120(2) as a preferred use.